



City of Austin

Recommendation for Action

File #: 25-1644, **Agenda Item #:** 2.

8/28/2025

Posting Language

Approve a resolution approving Austin Housing Finance Corporation's ownership in the land and a to-be developed multifamily residential development, Sycamores at Pleasant Valley, located at or near 5901 S. Pleasant Valley Road, Austin, Texas 78744, for the purpose of the exemption of ad valorem and sales and use taxes under Section 394.905 of the Texas Local Government Code. Funding: This item has no fiscal impact.

Lead Department

Austin Housing Finance Corporation.

Fiscal Note

This item has no fiscal impact.

For More Information:

Mandy DeMayo, Treasurer, Austin Housing Finance Corporation, 512-974-1091.

Council Committee, Boards and Commission Action:

February 13, 2025: The Austin Housing Finance Corporation (AHFC) authorized negotiation and execution of a grant agreement, and related documents, with St. David's Foundation to receive a \$750,000 grant to be the funding source of a loan to 5900 Pleasant Valley, LP, or its affiliate, for the residential development known as Sycamores at Pleasant Valley located at or near 5900 South Pleasant Valley Road, Austin, Texas 78744.

February 29, 2024: AHFC authorized the negotiation and execution of a loan agreement and related documents with 5900 Pleasant Valley, LP, or an affiliated entity, in an amount not to exceed \$8,950,000, for the development of rental housing to be known as 5900 South Pleasant Valley located at or near 5900 South Pleasant Valley, Austin, Texas 78744.

October 5, 2023: AHFC approved a resolution authorizing the formation of AHFC Pleasant Valley Non-Profit Corporation, a Texas nonprofit corporation and instrumentality of the Austin Housing Finance Corporation; approving its Certificate of Formation and Bylaws; appointing its board of directors and president; and authorizing AHFC Pleasant Valley Non-Profit Corporation to act as general partner, or managing member, of the entity that will own an approximately 96-unit multifamily rental development located at or near 5900 S. Pleasant Valley Road, Austin, Texas 78744; and authorizing a ground lease.

September 21, 2023: AHFC approved an inducement resolution related to an application for private activity bond financing that authorizes an allocation of up to \$25,000,000 in private activity volume cap multi-family non-recourse bonds to Pleasant Valley LP, or an affiliated entity for a proposed affordable multi-family development located at or near 5900 South Pleasant Valley Road, Austin, Texas 78744.

July 20, 2023: AHFC authorized negotiation and execution of all necessary agreements and instruments with Structure Development & JCM Ventures, or other qualified applicant, to develop affordable housing on

approximately 2.5 acres located at or near 5900 S. Pleasant Valley Road, Austin, Texas 78744.

August 26, 2021: AHFC authorized the negotiation and execution of all documents and instruments necessary or desirable to acquire approximately 5.30 acres for affordable housing purposes located at or near 5900 South Pleasant Valley Road and 5901 Drowsy Willow Trail, in an amount not to exceed \$2,050,000, including closing costs.

Additional Backup Information:

Following the new legislation HB 21 amending Chapter 394 of the Texas Local Government Code, signed by the Governor on May 28, 2025 and effective immediately, AHFC must approve the resolution in order for the Development to be eligible for an exemption from ad valorem and sales and use taxes. As this Development is anticipated to be the recipient of Low Income Housing Tax Credits allocated under Subchapter DD, Chapter 2306 of the Texas Government code, it is not subject to an underwriting assessment.